

## Preface

Government commercial enterprises, the accounts of which are subject to audit by the Comptroller and Auditor General of India (CAG), fall under the following categories:

- Government companies,
  - Statutory corporations, and
  - Departmentally managed commercial undertakings.
2. This report deals with the results of audit of Government companies and Statutory corporations including Punjab State Electricity Board\* and has been prepared for submission to the Government of Punjab under Section 19A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, as amended from time to time. The results of audit relating to departmentally managed commercial undertakings are included in the Report of the Comptroller and Auditor General of India (Civil) - Government of Punjab.
3. Audit of the accounts of Government companies is conducted by the Comptroller and Auditor General of India under the provisions of Section 619 of the Companies Act, 1956.
4. In respect of PEPSU Road Transport Corporation, Punjab State Electricity Board and Punjab Scheduled Castes Land Development and Finance Corporation, which are Statutory corporations, the Comptroller and Auditor General of India is the sole Auditor. As per the State Financial Corporations (Amendment) Act, 2000, CAG has the right to conduct the audit of accounts of Punjab Financial Corporation in addition to the audit conducted by the Chartered Accountants appointed by the Corporation out of the panel of auditors approved by the Reserve Bank of India. In respect of Punjab State Warehousing Corporation, he has the right to conduct the audit of accounts in addition to the audit conducted by the Chartered Accountants appointed by the State Government in consultation with CAG. In respect of Punjab State Electricity Regulatory Commission, CAG is the sole auditor. The Audit Reports on the annual accounts of all these corporations/commission are forwarded separately to the State Government.
5. The cases mentioned in this Report are those, which came to notice in the course of audit during the year 2009-10 as well as those, which came to notice in earlier years, but were not dealt with in the previous Reports. Matters relating to the period subsequent to 2009-10 have also been included, wherever considered necessary.

The audit in relation to material included in the Audit Report (Commercial) 2009-10 has been conducted in accordance with the Auditing Standards.

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\* The Board has been unbundled (16 April 2010) into two companies namely the Punjab State Power Corporation Limited for generation, trading and distribution of power and the Punjab State Transmission Corporation Limited for transmission of power in the State.